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2 June 1971

MEMORANDUM FOR THE CONSULTANTS

SUBJECT: The New Look in Chinese Foreign Policy and Its  
Implications for Southeast Asia

1. There has been a good deal going on beneath the surface in Chinese domestic politics since the Cultural Revolution simmered down that probably has great significance for the future in terms of the succession to Mao and to the entire range of China's policies -- domestic and foreign. But we remain poorly informed as to the precise nature of these internal developments, the present balance between the factions that may exist, or the strength of individual leaders below Mao.

2. For the moment then, there is little useful to say to our consumers on Chinese politics and it is fair to say that most interest and attention today at the higher levels of our government is directed at Chinese progress in the field of strategic weapons and on China's somewhat more flexible and pragmatic approach in its diplomacy. Of course, the most immediate concern in Washington is how to play the Chinese representation issue. This involves complicated calculations

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of US interests and the probable actions and reactions of others, particularly Japan, Communist China and the GRC. In part, this is not really an intelligence problem and in the end the White House will no doubt get its most reliable information on GRC and Japanese attitudes direct from the Gimo and Sato.

3. But we do have a role to play, and hopefully something useful to contribute, in the assessment of the overall implications of Peking's present tendencies in foreign policy. Judgments on these matters could have a bearing on a wide range of issues and problems -- the future of our relations with the GRC, with Japan, and with the USSR on a world-wide basis and in Asian and arms control matters in particular.

4. All of this is a preface to saying that in our discussion of China today, we should like the consultants to express their views on the objectives, purposes, and implications of current trends in Chinese foreign policy with particular reference to Southeast Asia. A central question is whether China is really interested in some degree of accommodation with the US or whether it is merely engaging in "people-to-people" diplomacy with the US and Japan in order to gain support elsewhere for

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entry into the UN and to improve its standing vis-a-vis the USSR. In other words, has any thing really changed in China's outlook or does Peking view the apparent process of US disengagement in parts of Asia as just another opportunity to expand its own influence?

5. Is there any basis for hope or belief that the Chinese in Peking would be willing to play what we might term a "constructive" role in Southeast Asia -- i.e., to help end the war on terms acceptable to all sides and, later, to respect the rights of the non-Indochinese states to an independent existence. Specifically, what are longer term Chinese interests in Thailand; what would be their price for non-interference in Thai domestic affairs (the insurgency)? What are their interests in Laos and Cambodia; in what circumstances and under what conditions might they advocate, support, or acquiesce in "neutral" or buffer solutions of some sort for these countries.

6. If one believes that China might be prepared to play a "constructive" role in Southeast Asia, what is the evidence for this. Is the evidence credible; would you expect your evidence to convince the wary policy maker who must accept the

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risk of decision. Or, are the risks of indecision and continuing warfare in SEA great enough to justify taking a chance on the Chinese?

7. It may be that looking at Southeast Asia in isolation could give a misleading view of future Chinese actions there. Peking has given no sign in the past that it is in any particular hurry to extend its influence in the area and now that it sees the US in a process of disengagement it could simply wait out the process, hoping to capitalize at little risk on the increased sense of vulnerability of the peoples and governments in the area. Thus, the prospects for any Sino-US accommodation or bargaining in the area might appear dim.

8. Yet it has been argued\* that the US (and Japan) has some leverage on China, notably with respect to the future status of Taiwan, Japanese rearmament, and Sino-Soviet relations which if properly used could serve to improve the climate of Sino-US relations generally and in particular could serve to produce

\* Problems of US-China Relations and Governmental Decision Making; Moorsteen and Abramowitz - RAND R-659-DOS/ARPA April 1971.

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Chinese "restraint" in Southeast Asia. Leaving aside the problems inherent in the "proper conduct" of US foreign policy, the question remains whether the concept of "leverage" on China has validity. Until recently at least, the Chinese have shown no disposition to "deal" in any way on the status of Taiwan or to make the obvious gestures that might lessen whatever sentiment there is in Japan for rearmament. While the Chinese can be said to have practiced "restraint" over the past 20 years on a number of issues and fronts, there has been little indication of willingness to make life easier for the US or Japan in Asia. Is there any basis for hope or belief that the current phase in Chinese policy will lead to any important changes in this long standing posture?

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